

## Message Text

SECRET

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ACTION EA-12

INFO OCT-01 NEA-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01  
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02  
SS-15 USIA-06 OMB-01 EB-08 DHA-05 /083 W  
-----050575 050634Z /12

R 050505Z OCT 77

FM AMEMBASSY JAKARTA  
TO SECSTATE WASHDC 4247  
INFO AMEMBASSY BANGKOK  
AMEMBASSY DACCA  
AMEMBASSY KUALA LUMPUR  
AMEMBASSY MANILA  
AMEMBASSY SINGAPORE  
AMEMBASSY TOKYO  
AMCONSUL HONG KONG

S E C R E T SECTION 1 OF 2 JAKARTA 13496

E.O. 11652: GDS  
TAGS: PGOV, ID  
SUBJECT: INDONESIA'S FUTURE

1. SUMMARY: AS I LEAVE INDONESIA, I HAVE THE IMPRESSION OF A COUNTRY BEGINNING TO STRUGGLE WITH THE QUESTION OF FUTURE LEADERSHIP, BUT BY NO MEANS CERTAIN OF THE SCENARIO. PRESIDENT SUHARTO IS FRUSTRATED BY THE LACK OF POPULAR ACCLAIM FOR THE ACCOMPLISHMENTS OF THE NEW ORDER AND AMAZINGLY BLIND TO HIS FAMILY'S PROBLEMS. CORRUPTION IS BECOMING MORE AND MORE OF AN ISSUE WITH SERIOUS POLITICAL OVERTONES. TIMOR REMAINS A GNAWING PROBLEM. THE ECONOMY IN THE SHORT-RANGE IS GOOD, BUT THE FUTURE OF OIL REVENUES, DEBT SERVICING, AND FOOD AND POPULATION LEVELS IS LESS CLEAR. RELATIONS WITH THE UNITED STATES ARE GOOD. THERE IS PERCEPTIBLE MOVEMENT IN THE HUMAN RIGHTS FIELD, BUT IT WILL NOT BE RAPID ENOUGH TO MEET INTERNATIONAL CONCERNS. END SUMMARY.

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2. THE PRESIDENT: AS INDONESIA MOVES TOWARD THE ELECTION OF ITS PRESIDENT IN MARCH, IT IS ASSUMED AT THIS POINT THAT SUHARTO WILL BE RE-ELECTED. THERE IS, HOWEVER, ENOUGH DOUBT TO GIVE GRIST TO THE POLITICAL MILL. THERE IS EVEN MORE UNCERTAINTY OVER THE VICE PRESIDENCY: IF THE SULTAN DOES NOT RUN, SHOULD IT BE A PRESTIGIOUS SENIOR STATESMAN OR A POTENTIAL FUTURE PRESIDENT? AS THE PRESIDENT'S SPEECH AT

THE SWEARING-IN OF PARLIAMENT ON OCTOBER 1 CLEARLY SHOWED, HE IS FRUSTRATED AND ANGRY THAT THE ACCOMPLISHMENTS OF HIS REGIME ARE NOT POPULARLY APPLAUDED. HE REMAINS BLIND TO THE CRITICISM OF HIS OWN FAMILY. ONE MINISTER EXPLAINED TO ME THAT SUHARTO SEES CORRUPTION AS "ILLEGAL ACTS"; "LEGAL" ACTS, EVEN IF THEY REPRESENT THE EXPLOITATION OF A FAVORED FAMILY POSITION ARE NOT CORRUPT. HE HAS REPORTEDLY ASKED A SENIOR OFFICER OF THE ARMY TO INVESTIGATE QUIETLY ALL HIS FAMILY'S ENTERPRISES TO BE CERTAIN THEY ARE "LEGAL."

3. CORRUPTION: MEANWHILE, THE PRESIDENT HAS, HIMSELF, SET IN MOTION THE PRESENT CAMPAIGN AGAINST CORRUPTION AND HAS, ACCORDING TO ADMIRAL SUDOMO, PROMISED HIS FULL SUPPORT, REGARDLESS OF WHERE IT MAY LEAD. BY SO DOING HE HAS PROVOKED THE NATURAL QUESTION, "WILL SUDOMO DO ANYTHING ABOUT THE PRESIDENT'S FAMILY?" THERE IS THE PARALLEL QUESTION, "WILL THE CAMPAIGN END WHEN THE PRESIDENT IS RE-ELECTED?" CORRUPTION HAS NOW BECOME SUFFICIENTLY WIDE-SPREAD AND EXHORBITANT TO BECOME A POLITICALLY IMPORTANT ISSUE. THE PRESIDENT, HIMSELF, MAY SENSE THAT HE IS IN TROUBLE: IF THE CAMPAIGN FALTERS, HE WILL LOSE CREDIBILITY; IF IT REACHES HIS OWN FAMILY IT COULD CAUSE HIM SERIOUS POLITICAL EMBARRASSMENT.

4. THE FUTURE: AS OF NOW, THE ARMY LEADERSHIP HAS CLEARLY CONCLUDED THAT IT DOES NOT WANT TO TAKE THE RISK OF TRYING  
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TO CHOOSE A SUCCESSOR TO SUHARTO. THE WEAKNESS OF THE PARLIAMENT AS AN INSTITUTION AND THE ABSENCE OF ANY ALTERNATIVES TO THE PRESIDENT WITH ANY POPULAR SUPPORT REINFORCE THIS CONCLUSION. IF THERE SHOULD BE A SERIOUS SCANDAL INVOLVING THE PRESIDENT'S FAMILY, THIS COULD CHANGE. BEYOND THAT, THE POPULAR TOPIC OF CONVERSATION IS THE FUTURE, WITH SUHARTO, WITHOUT SUHARTO, AND BEYOND SUHARTO. FOR THE FIRST TIME THERE IS ACTIVE TALK ABOUT THE SCENARIO NECESSARY TO INSURE A SMOOTH TRANSITION TO THE NEXT GENERATION, BUT DISAGREEMENTS CLOUD THE ANSWER. SO FAR THESE ARE MORE INTELLECTUAL THAN BITTER, BUT THIS COULD CHANGE. THE ELDERS, SUCH AS AMIRMACHMUD, JUSUF, AND PANGGABEAN, SEE A TRANSITION WITH THEMSELVES IN SIGNIFICANT, GUIDING POSITIONS AS LONG AS POSSIBLE. YOUNGER MEN, INCLUDING GENERAL MURDANI, BELIEVE THE TIME IS RIPE TO BRING IN NEW MEN UNDER SUHARTO. THE CABINET CHANGES NEXT MARCH SHOULD PROVIDE A CLUE.

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R 050505Z OCT 77  
FM AMEMBASSY JAKARTA  
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5. MY FEELING REMAINS THAT AS LONG AS THE SENIOR LEADERSHIP STANDS TOGETHER, THE CHANCES OF A MAJOR UPHEAVAL IN THE NEXT TWO TO THREE YEARS ARE SLIM. SUCH AN UPHEAVAL COULD COME ABOUT WITH A LINK UP BY KEY ARMY PEOPLE WITH OUTSIDE GROUPS, SUCH AS THE MUSLIMS. THE NATIONALISTS, OR A COMBINATION OF STUDENTS AND DISSIDENTS. ALL THE CURRENTS ARE THERE - INCLUDING, POSSIBLY, SOME UNDERGROUND COMMUNIST ELEMENTS - BUT NONE APPEAR NOW TO HAVE THE LEADERSHIP OR COHESION SERIOUSLY TO CHALLENGE A UNITED ARMY LEADERSHIP. THIS COULD CHANGE WITHIN A VERY FEW YEARS AS JOCKEYING BEGINS FOR THE NEXT (1983) ELECTION.

6. THE GENERATIONAL CHANGE IN INDONESIA COULD BE SIGNIFICANT. THE PRESENT LEADERSHIP IS BOUND TOGETHER BY COMMON EXPERIENCES. THEY WERE TOGETHER AS GUERRILLAS AGAINST THE DUTCH, AS COMRADES IN WEST IRIAN, SULAWESI AND SUMATRA AND AS FIGHTERS AGAINST THE COMMUNISTS IN 1965. PANCASILA MEANS SOMETHING TO THEM. THE COLONELS AND BELOW HAVE LESS  
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OF THIS FEELING; THEY MAY BE INCLINED TO QUESTION THE BASIC ASSUMPTIONS OF NATIONAL POLICY, INCLUDING THE ROLE OF THE ARMY. BALANCING THIS MAY BE COMMON DESIRES TO PRESERVE THE ESSENTIALLY JAVANESE EMPIRE THAT IS MODERN INDONESIA

AND TO BENEFIT EQUALLY FROM THE PERQUISITES OF OFFICE. NO ONE SEEMS QUITE SURE WHICH WILL PREDOMINATE.

7. ECONOMIC FACTORS: INDONESIA'S ECONOMY HAS SURVIVED THE SHOCKS OF THE LAST THREE YEARS AND IS, AT LEAST FOR THE MOMENT, REASONABLY SOUND. PITFALLS AS DIFFICULT AS THOSE ON THE POLITICAL FRONT LIE AHEAD. OIL REVENUES COULD BEGIN TO DECLINE SHARPLY AT THE VERY MOMENT OF POLITICAL TRANSITION. FOOD PRODUCTION REMAINS A SERIOUS PROBLEM WITH NO DRAMATIC SOLUTION IN SIGHT. NEW INVESTMENT MAY NOT BE GENUINELY ENCOURAGED BY INDONESIA'S EQUIVOCAL WELCOME. DEBT PROBLEMS LOOM AHEAD FOR THE EARLY EIGHTIES. THE POPULATION BOMB IS STILL TICKING.

8. RELATIONS WITH THE U.S.: IN THE SHORT TERM, RELATIONS WITH THE UNITED STATES ARE GOOD. WE HAVE A FRIENDLY RELATIONSHIP, BUT NOT AN INDELIBLE IDENTIFICATION WITH THE PRESENT REGIME. THE GENERAL RESPECT FOR AND INTEREST IN THE UNITED STATES TRANSCENDS THE PRESENT LEADERSHIP. THERE REMAINS IN THIS COUNTRY A VERY STRONG DESIRE THAT THE UNITED STATES KEEP UP ITS INTEREST IN SOUTHEAST ASIA AND INDONESIA. THE INDONESIANS WILL PERIODICALLY TEST THIS INTEREST. THEIR EXPECTATIONS OF WHAT WE CAN DO ARE MORE REALISTIC THAN FOUR YEARS AGO, BUT THEY WILL BE SERIOUSLY CONCERNED IF WE FAIL TO SUPPORT THE IGGI, TO CONTINUE MILITARY SUPPLY HELP, TO MAINTAIN OUR SEARCH FOR SOLUTIONS TO KEY NORTH-SOUTH PROBLEMS, OR TO DEMONSTRATE OUR INTEREST IN ASIA. NOT ALL THE POTENTIAL CURRENTS OF LEADERSHIP IN INDONESIA SHARE THIS FEELING. AN ABRUPT CHANGE IN LEADERSHIP TO THE NATIONALIST  
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LEFT COULD ONCE MORE MAKE US THE TARGET FOR INDONESIA'S FRUSTRATIONS.

9. HUMAN RIGHTS: IN THE REALM OF HUMAN RIGHTS, WE CAN EXPECT CONTINUED MODEST PROGRESS. THE PRESENT ARMY LEADERSHIP, HOWEVER, WHICH FEELS THAT THE FREEDOM OF INDIVIDUALS IN INDONESIA WOULD HAVE BEEN FAR LESS HAD THE COMMUNISTS WON IN 1965 WILL NOT CARRY RELEASES TO THE POINT OF RISKING A RETURN OF KNOWN COMMUNIST CADRES. NOR WILL ARRESTS UNDER THE 1965 DECREES TOTALLY CEASE. THERE WILL CONTINUE TO BE INCARCERATIONS WHICH WILL BREED INTERNATIONAL CONCERN. TIMOR WILL NOT BE GRANTED SELF-DETERMINATION IN OUR MEANING OF THE TERM. A JUDICIOUS AMERICAN POLICY WILL BE REQUIRED TO WEIGH OUR INTERESTS IN THIS IMPORTANT COUNTRY AND THE GENUINE ELEMENTS OF FREEDOM WHICH DO EXIST AGAINST THE FACT OF THE CONTINUED CURTAILMENT OF THE RIGHTS OF THOSE THE INDONESIAN LEADERSHIP CONSIDERS ENEMIES OF THE STATE.  
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## Message Attributes

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